

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application    )   Application No. NG-0004  
of Aquila, Inc., d/b/a Aquila        )  
Networks (Aquila), seeking a        )  
waiver of notice and publication    )   AQUILA'S REQUEST FOR WAIVER  
and to implement supply cost        )   GRANTED  
adjustment rate schedules for       )  
Aquila's Rate Area One, Rate        )  
Area Two and Rate Area Three.       )   Entered: September 9, 2003

BY THE COMMISSION:

1. By application filed July 14, 2003, Aquila, Inc., d/b/a Aquila Networks (Aquila), seeks a continuing waiver of the thirty (30) day notice and publication requirements related to filing of gas supply cost adjustment rate schedules. These requirements are set forth in Section 54 of the State Natural Gas Regulation Act (Act). Aquila further seeks to implement such rate schedules on less than thirty days' prior notice.

2. The Act provides in part:

[U]nless the commission otherwise orders and except as otherwise provided in this section, no change shall be made by any jurisdictional utility in an purchased gas adjustment schedule, except after thirty days' notice to the commission and to the public as provided in this section.

2003 Neb. Laws 790 § 54(2). The Act further requires that public notice be given by publication in a newspaper, unless the Commission orders otherwise.

3. The Act also provides a method for allowing changes upon less than thirty days' notice:

The Commission, for good cause, may allow such changed rate or any term or condition of service pertaining to the service or rates of any such utility, to become effective on less than thirty days' notice.

Id. at § 8(2).

4. The Commission held a hearing in this matter on August 28, 2003, at 10:30 a.m. in the Commission Hearing Room, Lincoln. Appearances were entered on behalf of Aquila, the Public Advocate and the Commission staff.

5. Mr. Larry Headley, Director of Regulatory Services for Aquila, testified in support of Aquila's application. Mr. Headley submitted an exhibit detailing costs of publishing notice of a gas cost adjustment (GCA) filing in newspapers across the state. Aquila estimates publication costs to be \$3,103.40 for each filing. Mr. Headley testified that Aquila generally plans to submit GCA filings on a monthly basis, and demonstrated that waiver of the thirty-day publication period would shorten the time lag between filing and implementation of the gas costs passed on to consumers. Mr. Headley further stated that several other states, including Kansas, Iowa and Minnesota, permit a similar manner of implementing GCAs. Mr. Headley asserted that by granting a waiver of the thirty-day publication period, the Commission would not be waiving any authority to further examine and regulate Aquila's gas cost adjustments.

6. Mr. Roger Cox testified on behalf of Nebraska's ratepayers in his role as the Public Advocate under the Act. Mr. Cox stated that he supports minimizing publication costs, which are passed on to the ratepayers. He requested that he receive a copy of Aquila's gas cost adjustment filings. Mr. Cox further suggested that the Commission should ensure that it reserves the right to continue to regulate gas cost, separate and apart from consideration of Aquila's waiver request.

#### O P I N I O N     A N D     F I N D I N G S

The Commission finds sufficient cause for granting Aquila's waiver request. The Commission notes the lack of opposition by the Public Advocate, and is satisfied that granting of the waiver request will help minimize costs that may be passed on to ratepayers. The Commission finds that granting of this waiver does not in any way impair the ability of the Commission to regulate and investigate gas cost or suspend gas cost adjustments as permitted by the State Natural Gas Regulation Act.

Changes proposed in any future Aquila GCA filings shall be filed with the Commission no later than the last business day of each month, and shall take effect the first business day of the following month, unless otherwise ordered by the Commission.

#### O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Aquila's request for a continuing waiver of the thirty-day notice period and newspaper publication of gas supply cost adjustment schedules is hereby granted as addressed in the body of this order.

MADE AND ENTERED at Lincoln, Nebraska, this 9th day of  
September, 2003.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chair

ATTEST:

Executive Director